

Improving Manufacturing Competitiveness and Retaining High Paying Jobs

***Workforce Investment Board
Green Collar Jobs Council***

CMTC Presentation
December 8, 2009





CA Manufacturing is the engine that drives the creation of high paying jobs.

- CA Mfg – Double number of next two states.
- CA Mfg is second largest industry.
- CA Mfg:
 - 10% OF CA GDP
 - 45,000 companies
 - 1.5M jobs
- Mfg job multiplier – creates avg. 4 additional jobs.
- Mfg growth ladder – offers skill and pay growth.



US Dept. of Commerce MEP program: Improves Manufacturing Competitiveness.

- Manufacturing Extension Partnership... 1990 Program.
- Established 58 MEP centers throughout the USA.
- Funds 1/3 costs of MEP center program.
- Manufacturers pay for services.
- California's two centers – CMTC and MANEX.
 - CMTC serving south of Fresno
 - MANEX serving north



One shop service MEP center meets mfr current and future needs

Services for Improving Competitiveness:

- Increase product quality & lower costs.
- Speed production-to-customer delivery.
- Investigate new products.
- Increase energy efficiency – Reducing energy and water in production.
- Select and install Information Technology systems.



MEP center has a high commitment and resourcefulness.

- Non-profit organization – only focus is customer.
- Goes beyond typical consulting – hands-on coaching.
- Training core – Mgt, technical and advanced mfg.
- CMTC:
 - Employs 90 full time...min 20yrs consulting experience.
 - Offers services regionally – consultants telecommute.
 - Uses distinct 2-services – very small & medium-to- large.



Partnerships are extensive for expanding outreach & competency.

- Economic Development Partners:
 - Community colleges & EDCs & SBDCs
 - Utilities & City governments
 - Trade associations
 - Workforce Investment Boards

- Providers of IT systems

- Specialty mfg process trainers

- Equipment consultants



Holistic approach improves companies, creates and retains jobs.

- Management training, change, and commitment.
- Techniques for production and office process improvements.
- Workforce development and training.
- Capabilities from partnerships.



Green Services extends methodologies to further improve mfg competitiveness.

- Educates mfrs on energy efficiency strategies.
- Offers techniques for improved production processes:
 - Reduces energy and water consumption
 - Reduces GHS and distribution costs
- Offers tools for reducing product costs.
- Provides Strategies for EPA & DOE “Green Leaders” status.
- Enables mfrs to promote “Green Products” for sales.



CA Utilities recognized CMTC tool for reducing energy use and costs.

- Proprietary tool – VeSM™ – saves mfg energy costs.
- Utilities employed energy tool – 5 yrs in regions.
- Methodology for VeSM™:
 - Assesses commitment to long term energy savings
 - Identifies inefficient industrial production processes
 - Implements new processes to reduce energy consumption
 - Monitors improvements for sustainment



Proven methodologies award “Best in Class” customer satisfaction.

- Rank CMTC – 2nd highest in Nation.
- Change Management underpinning – management and employees coordinated improvements so they stick.
- Follows systematic approach:
 - Discovery...data driven assessment
 - Commitment...desire and accountability
 - Implementation...training and direction
 - Measurement...reinforcement and sustainability



MEP 2008 benefits were significant to both mfrs and California.

❑ Number of companies served = 590

- Sales increased = \$460M
- Cost savings = \$180M
- Investments = \$142M

❑ Number of mfg jobs created/retained = 3,633

❑ Number of non-mfg jobs created/retained = 18,165

2008 impact metrics compiled by 3rd party under Dept of Commerce contract.
